SHRI PARVATHANENI UPENDRA: There is no question of somebody's being in power. What prompted the Minister to lay it now? May be the reasons are given in the statement. But why they should take eight years, the Minister can tell us briefly.

THE DEPUTY CHAIRMAN: The Committee on Papers Laid will look into this.

Report and Accounts (1978-79) of the Jammu and Kashmir State Agro Industries Development Corporation Limited Srinagar and related papers

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI YOGENDRA MAKWANA): Sir, I beg to lay on the Table—

I. A copy each (in English and Hindi) of the following papers, under sub-section (1) of section 619A of the Companies Act, 1956:—

(i) Ninth Annual Report and Accounts of the Jammu and Kashmir State Agro Industries Development Corporation Limited, Srinagar, for the year 1978-79, together with the Auditors' Report on the Accounts and the comments of the Comptroller and Auditor General of India thereon.

(ii) Review by Government on the working of the Corporation.

II. Statement (in English and Hindi) giving reasons for delay in laying the papers mentioned at I (i) above.

[Placed in Library. *See* No. LT—5076/87 for (I) and (II)]

MESSAGE FROM THE LOK SABHA

The Constitution (Scheduled Tribes) Order (Amendment) Bill, 1987

SECRETARY-GENERAL: Sir, I have to report to the House the following message received from the Lok Sabha, signed by the Secretary-General of the Lok Sabha:

"In accordance with the provisions of rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose the Constitution (Scheduled Tribes) Order (Amendment) Bill, 1987, as passed by Lok Sabha at its sitting held on the 19th November, 1987."

Sir, I lay a copy of the Bill on the Table.

RE: REQUEST FOR A CEASE-FIRE IN SRI LANKA

SHRI V. GOPALSAMY (Tamil Nadu): Madam, eighteen soldiers have been released by the LTTE. Through you, I make an appeal to the Government to order a cease-fire.

STATEMENT BY MINISTER

Re. D.A. to Central Government Employees

THE MINISTER OF FINANCE AND THE MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): Sir, on the basis of the recommendations of the Fourth Pay Commission, as accepted by the Government for Groups 'A', 'B', 'C' and 'D' employees, the Dearness Allowance at the revised rates has become due for consideration with effect from 1-7-1987, on the basis of percentage increase in whole numbers in the twelve monthly average of the All India Consumer Price Index Numbers for Industrial Workers (General) (Base 1960—100) for the period ending 30-6-1987 over the index average of 608, the base figure to which the revised pay scales are pegged. The twelve monthly average CPI on 30-6-1987 is 687.5 which works out to an increase of 13.07 per cent over 608. Employees drawing basic pay upto Rs. 3500 are to be allowed 100 per cent neutralisation and those drawing basic pay between Rs. 3501 and Rs. 6000 75 per cent and those drawing basic pay above Rs. 6000—65 per cent and are, therefore, entitled to the revised D.A. of

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13 per cent, 9 per cent and 8 per cent of basic pay respectively with effect from 1-7-1987 as against 8 per cent, 6 per cent and 5 per cent of basic pay respectively from 1-1-1987.

Government have decided to pay the instalment of Dearness Allowance due to Groups 'A', 'B', 'C' and 'D' employees from 1-7-1987 in cash. Orders in this behalf will be issued by the Ministry of Finance.

The additional annual cost of instalment of D.A. payable to all Central Government employees with effect from 1-7-1987 is estimated at Rs. 345 crores. The additional cost in the current financial year will be of the order of Rs. 230 crores.

In view of the tight situation because of drought and flood in many parts of the country I would like to appeal to the employees to voluntarily deposit in their Provident Fund Account as far as possible.

SHRI NIRMAL CHATTERJEE (West Bengal): What is the amount of depreciation due to the delay?

श्री चतुरानन मिश्र (बिहार) : उपसभापति महोदया, मैं सरकार से जानना चाहता हूं कि पेमेंट जो उन्हें करना है उसके आदेश सरकार ने दिये हैं यह तो अच्छी बात है लेकिन इसका टाइमली पेमेंट हो ताकि मजदूरों और कर्मचारियों में असन्तोष न हो ऐसा कुछ होना चाहिए। क्या कारण है कि सरकार यह जूलाई में ड्यू हुआ तो जिस दिन यह वाजिब हो गया था, उसी समय टाइमली क्यों नहीं पेमेंट किया जाता है। ऐसा न होने पर एजीटेशन होता है।

मैं दूसरी बात यह जानना चाहता हूं और शायद सरकार और मंत्री महोदय भी इसमे अवगत होंगे कि जिस ढंग से कीमतों के भाव तेजी से बढ़ रहे हैं, उन्होंने कहा है कि 13% से ज्यादा की वृद्धि हुई है इस साल में, यह तो सरकारी कर्मचारियों को हम दे देंगे लेकिन बाकी समाज के लिए हम दे नहीं सकते; इसलिए मैं यह जानना चाहता हूं सरकार के बजट पर इसका प्रतिकूल असर पड़ेगा। उसको देखते हुए क्या सरकार इस बात की जांच कराएगी अगर जीवनोपयोगी उपभोक्ता वस्तुएं कर्मचारियो को निश्चित दर पर दें तो उसमे ज्यादा खर्च होगा या इस मे जो हम अभी महंगाई भत्ता देते है उसमे ज्यादा खर्च होगा। क्या सरकार इस बात की जाच कराएगी, यह मेरा प्रश्न है।

SHRI DIPEN GHOSH (West Bengal): Madam Deputy Chairman, this statement is being made by the Union Finance Minister today in the Rajya Sabha. Already he made the statement yesterday in the Lok Sabha and thereafter it has come out in today's newspapers. This is a departure from the established procedure. Whenever the Government comes out to make any *suo motu* statement in Parliament—since Parliament consists of two Houses-naturally the statement is made in both the Houses on the same day. Otherwise what happens is—and you will surely appreciate it—that by the time statement is made in the Rajya Sabha, the Rajya Sabha members have already learnt it through the morning newspapers. Therefore, I would request that henceforth the Government should take care and see that this departure does not recur.

According to the Government's decision on the Fourth Pay Commission's recommendations, the Central Government employees are to be paid Dearness Allowance twice a year on the basis of twelve monthly average increase in the All India Working Class Consumer Price Index. According to this statement it had already reached the 687.5 point on 30th June. And the fact that there had been an increase in the All India Cost of Living Index thereby entitling the Central Government employees for another instalment of DA was recorded by the Government as far back as in late August or in early September, but now in November the Government has come out with the statement declaring increase in the quantum of DA to be paid to the Central Government employees.

Part (a) of my question is: What were the reasons that led the Government to make this delayed announcement, though

according to the Government decisions on the Fourth Pay Commission's Recommendations, it was to be made in early September?

Part (b) of my question is this: Yesterday there was a demonstration by the Central Government employees organised by one organisation viz. National Confederation of Central Government Employees and Workers. Though it is not recognised by the Government of India as yet, it is headed by two MPs of the ruling party. Holding of this rally was announced a week ago to demand increase in DA according to the Index. In that rally also it was demanded. Therefore the second part of my question is, whether this delayed announcement of increase in Dearness Allowance was timed with the rally held by an organisation led by the ruling party MPs, thereby trying to project their organisation among the employees?

DR. G. VIJAYA MOHAN REDDY (Andhra Pradesh): Madam Deputy Chairman, we generally welcome the hon. Minister's statement on dearness allowance at revised rates. Certainly there is a steep rise in the price index and the employees are justified in demanding neutralisation of the same and the Government responding to it. In this connection, I request the hon. Minister to kindly see that pensioners' also get this benefit immediately.

Secondly, the grievance of the employees of public sector undertakings is that they are given a separate type of dearness allowance. Why should there be two types of dearness allowance for employees who are working in the Indian conditions? I suggest that all employees in the whole country should get the same dearness allowance. I request the Minister to kindly consider the recommendations of the Fourth Pay Commission and see that the employees of public sector undertakings also get this benefit.

Another question is that inflation has reached two digits and price rise is phenomenal in the entire country. The States have to foot this bill. What about the State Governments? Their resources are very limited. I request the hon. Minister to kindly consider the request of the State Governments and see that neutralisation takes place of this particular enhancement of dearness allowance and in future also. Even before the 9th Finance Commission gives its report, will the Central Government come forward with such measures?

श्री शरद यादव (उत्तर प्रदेश) : उपसभापति महोदया, देश में महंगाई इतनी तेजी से बढ़ी है कि संगठित मजदूरों के डी ए को मंत्री जी ने अनाउंस किया है। मेरी मंत्री जी से बिनती है कि इस मंहगाई को किसी तरह से कंट्रोल करें नम्बर एक और नम्बर दो में यह पूछना चाहता हूं कि यह डी ए जो आपने अनाउंस किया है क्या इसके अनाउंसमेंट के पहले आपने कांग्रेस पार्टी की जो सरकारी यूनियनें हैं उनके लोगों को कह दिया था कि आप प्रदर्शन करो, मांग करो। हम इसको बढाने वाले है? क्या इस बात को भी बताने की कृपा करेंगे।

श्री सत्य प्रकाश मालवीय (उत्तर प्रदेश) उपसभापति महोदया, वित्त मंत्री के रूप में मंत्री जी का यह भी कर्तव्य है कि इस देश का जो प्रत्येक नागरिक है उसकी वित्तीय और आर्थिक स्थिति ठीक रहे। मंत्री जी ने जो घोषणा की है सरकारी कर्मचारियों के लिए इसका तो मैं स्वागत करता हूं लेकिन उन्होंने स्वयं इस बात को स्वीकार किया है कि इससे 230 करोड़ रुपए का वर्तमान वित्तीय व्यवस्था पर आर्थिक भार सरकार पर पड़ेगा। मैं जानना चाहता हूं कि सरकारी कर्मचारियों के अलावा और जो इस देश के निचले तबके के नागरिक हैं और विशेषकर अतिवृष्टि, बाढ़ और सूखे के समय हमारे जो छोटे-छोटे कृषक है या भूमिहीन मजदूर हैं या इस तरह के और लोग है जो गरीबी रेखा से नीचे रहने को मजबूर है उनक आर्थिक स्थिति को सुधारने के लिए मंत्री जी क्या कदम उठाने जा रहे हैं?

SHRI GHULAM RASOOL MATTO (Jammu and Kashmir): Madam Deputy Chairman, may I know from the hon. Minister whether the employees who have opted for a consolidated pay merging their dearness allowance in their grades

[Shri Ghulam Rasool Matto]

will also be benefited by this increase? As my hon. friend, Dr. Vijaya Mohan Reddy has pointed out, once the Central Government employees dearness allowance is raised, there is bound to be a cry for an increase in the dearness allowance of the State Government employees also. Since the States' resources are limited, will the hon. Minister frame a formula under which for all time to come this problem is solved? I suggest when the State Government employees' dearness allowance is increased, a portion of that may be borne by the Central Government also.

SHRI JAGESH DESAI (Maharashtra): Madam Chairperson, I would like to draw the attention of the hon. Finance Minister to the budget that is framed every year. The provision for dearness allowance instalments is less in the budget. Even the past experience is not taken into account.

I think that this year also about Rs. 400 crores have been provided for dearness allowance instalment and by this one instalment alone in three months, the liability of the Government would be to the extent of Rs. 345 crores and assuming that even the rate of inflation will not increase and will be kept at this level which is not possible because of the drought situation, the total liability will come to about Rs. 1400 crores in this year. I would like to know from the hon. Minister whether this experience will be taken into consideration while framing the next Budget and proper amount will be provided in the Budget so that the correct picture will be given to both the Houses of Parliament and the deficit will be kept at that level. Otherwise, if Rs. 400 crores is provided now, then you have to provide Rs. 1400 crores to pay as dearness allowance. Your deficit will again go up by Rs 1000 crores and as such, in future, Government should take care that proper provision will be made on account of DA instalment in the Budget so that the correct picture can be presented to both the Houses of Parliament.

SHRI NARAYAN DATT TIWARI: Madam Deputy Chairman, first of all, I would like to refer to the point very appropriately made by my hon. Friend, Shri Dipen Ghosh, as to why I could not make the statement yesterday. It is because of the fact that the decision that was taken was rather late; negotiations were going on with the employees leaders and the JCM because of the tight financial situation. We had been constantly requesting the employees' organisations through approved machinery, the Joint Council, which is a recognised body.

We had been requesting them to agree to deposit this D.A. instalment in their provident fund account so that while payment is ensured by depositing the amount in the provident fund account, the ways and means position of the Government is also protected by this step. The suggestion made by the employees was that the public sector employees had already been given the dearness alowance in full. They too should have been asked to deposit the same in their provident fund account. Why was it not done in their case? Why is it only for the Government employees. So, a proposal was made that a meeting should be held of all recognised employees' organisations representing the public sector as also the Government, so that they could agree on depositing their dearness allowance either in full or in part in their provident fund account So this discussion was going on continuously. (*Interruptions*).

SHRI CHATURANAN MISHRA: Various public sector units have not been paid DA.

SHRI NARAYAN DATT TIWARI: No, no. I was just telling you the reason for the delay. That was the major question asked: What were the reasons that this announcement was not made earlier. And yesterday, even efforts were made to persuade them to agree to the Government depositing this amount in the provident fund account either in full or in part. But the employees' organisations did not agree to this and, therefore, we took this decision to pay it in cash in deference to the wishes of the employees' organisations.

Therefore, I made an appeal to the employees to voluntarily deposit this money in their provident fund account and this appeal I am renewing today also. It is not to oblige anybody. Rallies are constantly held. A rally was held on the 11th also. On the 19th perhaps, apart from demands there was a rally to commemorate Indira Ji. So there is no question that we should favour this organisation or that organisation. This decision was taken late yesterday and before I could come to the Rajya Sabha, the House was adjourned. It was adjourned a bit earlier. I think yesterday, it was adjourned at about five o'clock. If it had been adjourned at six of the clock, the announcement would have been made yesterday itself. I am sorry. I regret this but it is because of this particular circumstance of the matter.

श्री सत्य प्रकाश मालवीय : लोक सभा में घोषणा कितने बजे की गई ? लोक सभा में आपका वक्तव्य कितने बजे हुआ ?

श्री नारायण दत्त तिवारी : पांच बजे के बाद हुआ ।

I did not know that this House had been adjourned because I was there in the Lok Sabha taking permission over there. I agree with what the hon. Members have said. We have to proceed according to the recommendations of the Pay Commission which we have accepted. Now, this thirteen per cent increase represents a period of one and a half years, from 1, January 1986 to 30 June 1987. So, it is not as if prices have jumped inordinately very high. This is over a period of one and a half years.

SHRI NIRMAL CHATTERJEE: You will agree that it represents an eight per cent annual increase. The increase in remunerative prices is only three per cent.

SHRI NARAYAN DATT TIWARI: I certainly agree with the hon. Member Shri Nirmal Chatterjee, my good friend. Of course, we have to keep a constant watch on the price situation. In this respect, I require the utmost cooperation of all the hon. Members belonging to different political parties and all the State Governments. Some of us actually contribute—some of us—to creating a phenomenon by which prices rise. Some of us make inordinate demands for remunerative prices. There is the resulting phenomenon and you tell me how the Finance Minister or any Minister or M.P. or M.L.A., can help it. The demand is that we should ensure the wheat price for the farmer at a very high level; but in the market, the prices of wheat should be at a very low level. It means more and more subsidies. The larger the subsidies are, the greater will be the deficit or taxation. That is the root of the matter. Therefore, we have to keep the balance everywhere. It has to be in accordance with the growth, the rate of growth. If the rate of growth is five per cent, then we can have a price increase of five per cent or so. It should always be related to the rate of growth. Then there will be a balanced and harmonious development of the economy in all sectors. Then we can give more balanced remunerative prices. Then we can give more nett pay to employees. Then we will raise the economy and will also control prices. That is a theory which all of us know. So, I seek the utmost cooperation of all hon. Members on this question. I also seek the cooperation of all the State Governments because it is they who control the distribution system. All the State Governments, irrespective of the political parties they belong to, should cooperate in controlling prices. Today, in many districts or cities—I do not blame anybody—we do not have any system to monitor the prices in important cities. Actually, the Minister of Food and Civil Supplies is looking into this. All the State Governments have to be very vigilant. Sitting in Delhi, we cannot control what is happening in the States directly. We have to do this only through the State Governments. They have also to see that hoarding of and profiteering in essential commodities are stopped. As far as we are concerned, this House has given us permission to import more of edible oils for public distribution, two lakh tonnes every month, which is being given, in addition, to the State Governments. We are importing pulses through the NAFED

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from China, Australia and New Zealand so that their prices could go down. New fair-price shops have been opened on a large scale. All possible steps are being taken to control inflation and price rise. But still we have to be more and more vigilant. I have also raised the taxes on the upper classes by intorducing a surcharge on income-tax. An ordinance will come and will be regularised by a Bill. Then, we have also introduced a new Bond with the permission of the Reserve Bank of India so that we can mobilize more savings. It is the Rahat Patra, the Relief Bond.

And, Madam, we hope to get some money this year out of these Relief Bonds also. All these steps are being taken.

Madam, I may assure the honourable Members that as far as the States are concerned, the 8th Finance Commission has already taken care of them. As you know, Madam, the Finance Commission takes a period of five years into account and the Finance Commission's main consideration is non-Plan expenditure and, therefore, they have already taken into account the forecast of the different States in this regard and already the Eighth Finance Commission's recommendations have been accepted by the Centre. So, whatever devolves actually on the States according to the recommendations of the Finance Commission, they will take care of the burden of DA instalments. I agree that it is always a burden to the State Governments. I have had the privilege of serving a State as a humble political worker and I know the difficulties of the State Governments. Tne Eighth Finance Commission has taken care of all that and I am sure that the States will co-operate not only by paying the DA or whatever it is, but also by maintaining the price level and we require their sustained support.

SHRI NIRMAL CHATTERJEE: You see, their assessment of inflation was much weaker like your Budget which provides for Rs. 300 crores and then has to fork out Rs. 700 crores. The Eighth Finance Commission's estimate about the inflationary potential was also lower and, therefore, no State Government has got any fund for developmental work because of these inflationary pressures. It is this circumstance to which your attention has been drawn. What can you do about it?

SHRI NARAYAN DATT TIWARI: I am thankful for this. But I do not think that the State Governments have not taken into consideration all these things. I have seen some memoranda of the State Governments in this regard. They always anticipate more than what is even required.

श्री वीरेन्द्र वर्मा : माननीय डिप्टी चेयरमेन महोदया, माननीय वित्त मंत्री जी इस बात पर भी प्रकाश डाल दें कि जो महगाई बढ़ी है, उस महगाई से प्रभावित केन्द्रीय सर्विसेज के लिए तो आपने कुछ व्यवस्थाएं की हैं, लेकिन क्या प्रदेश सरकारों के लिए जो प्रोब्लम पैदा होगी, उसमें किसी प्रकार की केन्द्र से कोई सहायता देंगे ?

श्री नारायण दत्त तिवारी : जी हां। विद्वान सदस्य तो हमारे सहयोगी रहे हैं मंत्रिमंडल में, वह जानते हैं कि वित्त आयोग बैठता है, उसमें पांच साल के लिए प्रावधान होता है। वही मैं कह रहा था कि अष्टम वित्त आयोग की संस्तुतियों को भारत सरकार ने स्वीकार कर लिया है, उसके अनुसार जो महंगाई भत्ता देने की प्रक्रिया स्वीकार की जा रही है, उसके अनुसार भत्ता राज्य सरकारें दे रही हैं और मुझे आशा है राज्य सरकारें अपने इस उत्तरदायित्व को पूरा करेंगी। लेकिन सब से अधिक उत्तरदायित्व है कीमतों पर नियंत्रण रखना और मुझे विश्वास है क्योंकि जिलाधिकारी उनके नियंत्रण में हैं, जिला प्रशासन उनके नियंत्रण में है, इसलिए राज्य भी मूल्य नियंत्रण में पूरा सहयोग देंगे, ऐसा मुझे विश्वास है।

SHRI VIRENDRA VERMA: They have no funds.